

LCGCC Recommendations submitted by George Everett, et al - February 5, 2010

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Re: Proposals and Recommendations for the Legislative Commission on Global Climate Change

You requested additional proposals and recommendations for reducing greenhouse gases in North Carolina. As members of the Legislative Commission on Global Climate Change (LCGCC), we believe it is important to keep in mind the recommendations already adopted and the work already accomplished or in process. We need to evaluate the benefits and impacts of these extensive actions before recommending additional mandates.

As a group, we believe that there is great value in being more energy efficient, reducing our environmental footprint, and becoming more energy independent. By continuing our efforts to achieve these goals there will be the added benefit of reducing, avoiding, or sequestering greenhouse gas emissions. Our focus should be on these messages rather than continuing to debate the rates and causes of global warming.

In 2007, the LCGCC adopted a number of recommendations for inclusion in its interim report. The bulk of the adopted recommendations were compiled and unanimously recommended by the Climate Action Plan Advisory Group (CAPAG). While a Commission-approved interim report was never published, the adopted recommendations were noted in the summary provided by Commission Counsel Tim Dodge at the most recent meeting of the LCGCC. Almost all the LCGCC recommendations - and many of the CAPAG recommendations - have been implemented at some level, and the framework for the others is in place, although not fully funded (this is not unexpected, given the current economy).

For example, the General Assembly enacted S.L. 2007-307, a renewable energy portfolio standard (REPS; LCGCC recommendation #14). Enactment of this legislation implemented the mitigation option identified by CAPAG as having the greatest impact on reducing greenhouse gas emissions. North Carolina was the first state in the southeast to adopt such legislation and adjacent states have yet to follow our lead. The General Assembly also approved S.L. 2007-546. This language promotes the conservation of energy and water use in state, university and community college buildings (LCGCC

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recommendation #2). The Center for Climate Strategies, in coordination with the Department of Environment and Natural Resources, completed a statewide inventory and forecast of greenhouse gas emissions (LCGCC Recommendation #10).

According to the Greenhouse Gas Inventory and Forecast, North Carolina's greenhouse gas emissions on a per capita basis and per unit of gross product were below the national average. These lower-than-national-average emissions of greenhouse gas emissions in the state (due in part to our significant nuclear generation capacity) are in spite of the extensive use of air conditioning in our geographical area and our position as a major manufacturing state. Even though North Carolina has been doing better than the national average in terms of greenhouse gas emissions, the significant steps taken by the General Assembly further improve our status. Thus, we believe that while North Carolina is in good company nationally in terms of our efforts to control greenhouse gas emissions, we are leaders in our region where the competition for jobs and growth is intense.

Additional notable actions that will address many of the other recommendations made by the CAPAG include the adoption of:

- anti-idling rules by the North Carolina Environmental Management Commission (TLU-8);
- tax incentives for renewable energy facilities and targets for specific renewable energy resources (ES-1, ES-3);
- statutory changes to facilitate siting of renewable energy facilities, (ES-9);
- tax incentives for biofuels production and establishment of a biodiesel production goal (TLU-6);
- federal standards for small generator interconnections as well as improvements to the net metering rules by the North Carolina Utilities Commission (ES-3, ES-9, LCGCC recommendation #9); and
- a mandatory greenhouse gas emissions reporting protocol by the US EPA (CC-2).

Of the top ten mitigation options identified by the CAPAG that would achieve the greatest reductions in greenhouse gas emissions, eight of the ten have been implemented or have the mechanisms in place but await sufficient funding.

Until the full benefits of the existing actions have been achieved and all of the recommendations already adopted have been adequately funded, more recommendations are unnecessary. We need to evaluate the benefits and impacts of the actions already taken before more mandates are adopted. As an example, the first comprehensive renewable energy targets under Senate Bill 3 will only come into play in 2012 (set aside target for solar in 2010).

North Carolina is demonstrating strong leadership in reducing greenhouse gas emissions. This Commission, along with the legislative and executive branches, has created a substantial body of work and put significant long-term initiatives in motion. Our state is dealing with the worst recession in a generation and facing record unemployment levels. As state leaders and employers work together to create more jobs, we believe that now is not the time to recommend additional mandates on our economy but to evaluate where we stand and to ensure the effectiveness of what is under way.

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Thank you for your consideration of our views.

Sincerely,

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cc: Mariah Matheson, Commission Assistant